IN THE HIGH COURT OF JUDICATURE AT BOMBAY
APPELLATE JURISDICTION

CRIMINAL APPLICATION NO.1425 OF 2007

Karaya Vasudeva Nayak ..Applicant
V/s
The State of Maharashtra ..Respondent.

Mr.N. Janardhanan, Advocate for the applicant.
Mr.Y.M. Nakhawa, APP for the State.

CORAM : R.M. SAVANT, J.

DATE : 18TH MAY, 2007.
(VACATION COURT)

P.C.

. This is an application for anticipatory bail apprehending arrest in C.R.No.52/2007 registered with M.H.B. Colony Police Station, Borivali, Mumbai (West). The offence is punishable under section 465, 467, 468, 471, 420 and 120-B of Indian Penal Code. The offence alleged are relating to loan transactions entered into by the Corporation Bank, when the applicant was Branch Manager at Borivali Branch. The housing loans are in respect of flats constructed in a building by one Hanif Shaikh. It is alleged that the applicant went to the site wherein the construction work was undertaken and without verifying as to whether the borrowers have booked the flat or not has sanctioned the loan to the

borrowers on the basis of false verification report. In fact, no such flats were booked by the borrowers. The allegation therefore, is that the action of the applicant amounts to defrauding the bank . On the other hand, it is contended on behalf of the applicant by his learned Counsel that the applicant had followed the procedure prescribed for sanction of the loan and had also got the title certificate verified from the Panel Advocates of the bank and that only on the basis of such verification the said housing loans were sanctioned. It is further submitted that the guide-lines laid down by the RBI in the matter of housing loans have been scrupulously followed.

2. I have gone through the papers. The allegation against the applicant is that of sanction of loan to the borrowers, who had in fact not booked the flat. Considering the defence of the applicant that he had sanctioned the loan on the basis of the title certificate issued by the panel advocates of the bank. It is also pertinent to note that the documents which are required for investigation are in the possession of the branch at Borivali and the applicant is now posted at Belgaum as Divisional Manager, to which post he has

been promoted in the interregnum There is no chance of the applicant interfering with the investigation or tampering with the evidence. In fact the learned Counsel for the applicant submits that the applicant has co-operated with the police and has attended the police station for 7 days. In my view therefore, case for anticipatory bail is made out. The applicant is therefore, granted anticipatory bail on the following conditions.

(i) In the event of arrest of the applicant in C.R.NO.52/2007 registered with M.H.B. Colony Police Station, Borivali, the applicant be released on anticipatory bail in the sum of Rs. 25,000/- with one or two sureties in like amount.

(ii) The applicant to co-operate with the investigation and to attend the police station as and when required by the police till filing of the charge-sheet.

(iii) The applicant not to interfere with the investigation or coerce or induce any witnesses.

. The above application stands disposed of with

the aforesaid conditions.

(R.M.SAVANT, J.)